No. 932 [redacted] 57

# Supreme Court of the United States.

OCTOBER TERM, A. D. 1919.

JOHN SIMMONS COMPANY,
*Petitioner,*

*vs.*

THE GRIER BROTHERS COMPANY,
*Respondent.*

On Petition for Writ of Certiorari directed to the United States Circuit Court of Appeals for the Third Circuit.

## PETITION FOR WRIT OF CERTIORARI AND REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT.

JAMES Q. RICE,
*Counsel for Petitioner.*

The Evening Post Job Printing Office, Inc., 20 Vesey St., N. Y.

IN THE

# Supreme Court of the United States.

JOHN SIMMONS COMPANY,
Petitioner,

AGAINST

THE GRIER BROTHERS COMPANY,
Respondent.

## Notice of Motion.

To THE GRIER BROTHERS COMPANY, the above named respondent.

PLEASE TAKE NOTICE that on Monday, May 31, 1920, at the opening of court on that day or as soon thereafter as counsel can be heard, a motion for a *writ of certiorari*, of which motion a copy is annexed hereto, will be submitted to the Supreme Court of the United States, at the City of Washington, District of Columbia, for the decision of the Court thereon. In support of said motion a petition and brief will also be presented to said Court, copies whereof are herewith served upon you.

Respectfully,

JAMES Q. RICE,
Attorney and Counsel for Petitioner.

Service of the foregoing notice of motion is hereby admitted this 24th day of May, 1920.

C. P. BYRNES,
Attorney and Counsel for Respondent.

IN THE

SUPREME COURT OF THE UNITED STATES.

JOHN SIMMONS COMPANY,
Petitioner,

AGAINST

THE GRIER BROTHERS COMPANY,
Respondent.

## Motion.

Now comes John Simmons Company, by James Q. Rice, its attorney and counsel, and moves this Honorable Court that it should, by *writ of certiorari* or other proper process directed to the Honorable the Judges of the United States Circuit Court of Appeals for the THIRD Circuit, require said court to certify to this court for its review and determination, a certain cause in said court lately pending, wherein The Grier Brothers Company was appellant and Frederic E. Baldwin and John Simmons Company were appellees, and to that end now tenders herewith its petition, together with a certified copy of the entire record in said cause in said United States Circuit Court of Appeals.

JAMES Q. RICE,
Attorney and Counsel for John Simmons Company.

Service of the foregoing motion is hereby admitted this 12th day of May, 1920.

C. P. BYRNES,
Attorney and Counsel for Respondent.

IN THE

SUPREME COURT OF THE UNITED STATES.

October Term, A. D. 1919.

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|---|---|
| JOHN SIMMONS COMPANY, Petitioner, vs. THE GRIER BROTHERS COMPANY, Respondent. | On petition for Writ of Certiorari directed to the United States Circuit Court of Appeals for the Third Circuit. |

# PETITION.

TO THE HONORABLE THE CHIEF JUSTICE AND ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

The petition of John Simmons Company, a corporation of the State of New York, respectfully prays for a *writ of certiorari*, directed to the United States Circuit Court of Appeals for the Third Circuit, ordering that the records and exhibits in the case there entitled, The Grier Brothers Company, Defendant-Appellant, *vs.* Frederic E. Baldwin & John Simmons Company, Plaintiffs-Appellants, Docket No. 2535, be certified to this

Honorable Court for a final review and determination, under the provisions of Section 6 of the Act of Congress of March 3, 1891, and represents:

First: That the decision of the United States Circuit Court of Appeals of the Third Circuit holding that a bill of review will not lie in this cause is in direct conflict with the decision of the United States Circuit Court of Appeals of the Eighth Circuit in Omaha Electric Light Co. *v.* City of Omaha, 216 F. 848.

Second: That the decision of said United States Circuit Court of Appeals of the Third Circuit on the bill of review is directly contrary to the practice authorized by this Court in Henry *v.* Dick Co., 244 U. S. 651.

Third: That the United States Circuit Court of Appeals of the Third Circuit erroneously held that the decree in Baldwin *v.* Grier, against which the bill of review was filed, is a consent decree.

Fourth: That the United States Circuit Court of Appeals of the Third Circuit erroneously held that the decree, against which the bill of review was filed, is a final decree.

Fifth: That the United States Circuit Court of Appeals of the Third Circuit misinterpreted the ground of the bill of review, and the authorities it cites do not apply.

Sixth: That the decree works irreparable injury to the plaintiffs.

SEVENTH: That a bill of review is the proper remedy in this cause.

WHEREFORE, your petitioner prays that a writ of *certiorari* may be issued out of and under the seal of this Honorable Court, directed to the United States Circuit Court of Appeals for the Third Circuit, commanding said Court to certify and send to this Court a full and complete transcript of the record and all proceedings of said court in the said cause entitled The Grier Brothers Company, defendant-appellant, *versus* Frederic E. Baldwin and John Simmons Company, plaintiffs-appellees, to the end that the said cause may be reviewed and determined by this Court, as provided by law; and your petitioner prays that the judgment of the said United States Circuit Court of Appeals for the Third Circuit in the said cause may be reversed by this Honorable Court.

And your petitioner will ever pray, &c.

JOHN SIMMONS COMPANY,
By CHARLES H. SIMMONS,
President.

JAMES Q. RICE,
Attorney and Counsel for Petitioner.

City and County of New York, ss.:

CHARLES H. SIMMONS, being duly sworn, deposes and says: That he is the President of John Simmons Company, the foregoing petitioner; that he has read the foregoing petition subscribed by him, and that the facts therein stated are true to the best of his knowledge, information and belief.

CHARLES H. SIMMONS.

Subscribed and sworn to before me this 12th day of May, 1920.

AUGUSTA WHITE,
Notary Public,
N. Y. Co.

[SEAL]

I hereby certify that I have examined and read the foregoing petition for *writ of certiorari* and that in my opinion such petition is well founded, and should be granted by this Honorable Court, and that such petition is not filed for delay.

JAMES Q. RICE,
Counsel for Petitioner.

May 10, 1920.

# BRIEF.

## History of the Litigation.

Generally, the history of this litigation, so far as this application for *writ of certiorari* is concerned, is as follows:

The Court of Appeals of the Third Circuit in the case of Baldwin & Simmons Co. *v.* Grier, at final hearing, reversing the District Court for the Western District of Pennsylvania, held the Baldwin reissue patent 13,542 for a Miner's Lamp invalid on the ground that the reissue had been broadened (219 F. 735; Tr. pp. 3 to 10).

Thereafter, the Court of Appeals of the Second Circuit in Baldwin & Simmons Co. *v.* Abercrombie & Fitch Co. and Justrite Manufacturing Co., affirming the District Court for the Southern District of New York, held this same Baldwin reissue patent 13,542 valid and infringed by the same lamp structure which was before the Court of Appeals for the Third Circuit (228 F. 895).

A *writ of certiorari* having been granted, this Court affirmed the Court of Appeals of the Second Circuit, and in its opinion (Tr. pp. 20-28) stated that it had given attention to

> "especially the decision and reasoning of the Circuit Court of Appeals of the Third Circuit in Baldwin *et al. v.* Grier Bros. Co., 219 Fed. 735, but we are constrained to a different conclusion. Indeed, we are of opinion that the original patent did not need the exposition of the reissue. It exhibited an invention of merit, certainly one entitled to invoke the doctrine of equivalents. Paper Bag Patent Case, 210 U. S. 405" (Tr. p. 26).

As soon as the mandate of this Court came down in this Second Circuit case, an application was made for leave to file a bill of review in the District Court for the Western District of Pennsylvania against the decree which had been entered on the mandate of the Court of Appeals of the Third Circuit. The application was denied on the ground that the District Court had no jurisdiction to act, but without prejudice to the renewal of the application to the Court of Appeals of the Third Circuit. Such application was accordingly made, whereupon the Court of Appeals of the Third Circuit made the following order:

> "It is hereby ordered that the said plaintiffs-appellees have leave to make an application to said District Court to file a bill of review, and that said District Court be, and the same is, hereby authorized and empowered to take such action upon said petition as to it seems proper" (Tr. p. 15).

The District Court for the Western District of Pennsylvania thereupon allowed the bill of review to be filed and, upon final hearing, sustained the bill, vacated the decree which had been entered on the mandate of the Court of Appeals of the Third Circuit (Tr. pp. 43-48), and entered a new decree in accordance with the decision of this Court holding the patent valid and infringed. Defendant appealed to the Court of Appeals of the Third Circuit, which reversed the Court below, holding that the bill of review would not lie.

Thereupon this petition for a *writ of certiorari* is made to this court, praying this court to finally review this decision of the Court of Appeals of the Third Circuit and the proceedings relating to the bill of review.

Specifically, the history of the various proceedings in this cause is as follows:

Oct. 14, 1913. Bill filed in the Western District of Pennsylvania by Baldwin & Simmons Co. *v.* Grier Bros. Co. charging infringement of reissue patent to Baldwin 13,504, for Miners' Lamp, and also charging unfair competition in trade.

July 7, 1914. Decision of District Court of the Western District of Pennsylvania (Orr, *J.*) holding reissue patent 13,542 valid and infringed and finding defendant guilty of unfair competition in trade (215 F. 735).

Jan. 22, 1915. Decision of the Court of Appeals of the Third Circuit, affirming the lower court as to unfair competition in trade but holding the reissue patent invalid because the reissue was broadened (219 F. 735; Tr. p. 3).

Feb. 24, 1915. Mandate of the Court of Appeals of the Third Circuit sent down (Tr. p. 11).

Jan. 5, 1916. Decree on the Mandate of the Court of Appeals for the Third Circuit entered in the District Court on motion of plaintiffs' solicitors (Tr. p. 13).

May 20, 1913. Bill filed in the Southern District of New York on the same reissue patent 13,542, and against the same lamp structure, against Abercrombie & Fitch Co. and Justrite Mfg. Co. (Tr. p. 57).

Feb. 6, 1915. Decision of the District Court of Southern District of New York (Mayer, *J.*) declining to follow the Court of Appeals of the Third Circuit, holding the patent valid and infringed (227 F. 455).

Nov. 9, 1915. Decision of the Court of Appeals of the Second Circuit affirming the court below (228 F. 895).

Dec. 20, 1915. Petition for *writ of certiorari* to this Court on the ground of conflicting decisions, on the same state of facts, by the Courts of Appeals of the Third and Second Circuits (Tr. p. 75).

Jan. 10, 1916. Petition for *writ of certiorari* granted by this Court.

Dec. 10, 1917. Decision of this Court affirming the Court of Appeals of the Second Circuit (Tr. p. 20; 245 U. S. 198).

Jan. 18, 1918. Mandate of this Court sent down and order entered thereon (Tr. pp. 28-30).

Jan. 26, 1918. Application to the District Court for the Western District of Pennsylvania, for permission to file a bill of review against the decree standing in that court.

Mar. 13, 1918. Order of the Court of Appeals of the Third Circuit referring the petition for leave to file bill of review to the District Court (Tr. p. 15).

Apr. 11, 1918. Bill of review filed (Tr. p. 17).

Jan. 10, 1919. Supplemental bill filed in the District Court of the Third Circuit because of change of title (Tr. p. 37).

Oct. 7, 1919. Opinions of the District Court sus-
Nov. 7, 1919. taining the bill of review and vacating the degree standing therein (Tr. pp. 43-48).

Apr. 14, 1920. Decision of the Court of Appeals of the Third Circuit, holding that the bill of review will not lie.

**The decision of the Court of Appeals of the Third Circuit holding that a bill of review will not lie in this cause is in direct conflict with the decision of the Court of Appeals of the Eighth Circuit in Omaha Electric Light Co. *v.* City of Omaha, 216 F. 848.**

The decision of the Court of Appeals of the Third Circuit, when the case was originally before it and in which it reversed the court below, was based solely on the ground that the patent in suit was invalid, the decision holding that the patent had been broadened by reissue. This Court on the *writ of certiorari* in the Second Circuit case specifically held that the reissue was not broadened. After quoting the matter which had been inserted in the specification and which the Court of Appeals of the Third Circuit held broadened the reissue, this Court said:

> "We are unable to assign to this the extent of alteration that counsel do, nor do we think it necessary to rehearse the details of their argument. We have given it attention and the cases it cites, especially the decision and reasoning of the Circuit Court of Appeals of the Third Circuit in Baldwin *et al. v.* Grier Bros. Co., 219 Fed. 735, but we are constrained to a

different conclusion. Indeed, we are of opinion that the original patent did not need the exposition of the reissue. It exhibited an invention of merit, certainly one entitled to invoke the doctrine of equivalents. *Paper Bag Patent Case, 210 U. S. 405*" (Tr. p. 26).

**There was, therefore, error of law apparent on the face of the decision of the Court of Appeals of the Third Circuit, this error being apparent without further examination of the facts.** This error was an incorrect interpretation of Revised Statutes, Sec. 4916, relating to the issue of defective patents, and the misapplication of the provisions of this section to the patent in suit, this section being subsequently correctly interpreted and applied to the patent in suit by the District Court and the Court of Appeals of the Second Circuit. **This error was not made apparent nor was it caused to exist by reason of the decision of this Court.** It existed in the decision of the Court of Appeals *ab initio*, but after this Court had spoken the existence of this error of law was not open to denial.

The Court of Appeals of the Third Circuit in holding that a bill of review will not lie against its erroneous decision, under these circumstances, is in direct conflict with the decision of the Court of Appeals of the Eighth Circuit in Omaha Electric Light Co. *v.* City of Omaha, 216 F. 818. In this case, an electric light company brought suit to enjoin the City of Omaha from interfering with its transmitting wires. The Court of Appeals for the Eighth Circuit held that plaintiff's franchise had expired and an appeal to this Court was dismissed on the ground that a federal question was not

raised. Thereafter, Old Colony Trust Co., trustee of a mortgage on the Electric Light Company's property, brought suit against the City for the same purpose. The Court of Appeals again held that the franchise had expired. The case went to this Court which held (230 U. S. 100) that the franchise had not expired, thus reversing the decision of the Court of Appeals of the Eighth Circuit. A bill of review was thereupon filed in the first suit, *i. e.*, the suit in which the Electric Light Co. was the plaintiff. The Court of Appeals of the Eighth Circuit entertained this bill of review and vacated its decree in the first suit, saying (216 F., p. 851):

> "If we have the power to revise our decree and issue a mandate in harmony with that of the Supreme Court, it is plainly our duty to do so. This we should do not only to protect the rights of the plaintiff as a litigant, but as a matter of public policy to preserve the orderly administration of justice and avoid an unseemly conflict of judicial mandates."

Again, pages 855, 856, the Court of Appeals said, referring to the decision of this Court in the other case:

> "While no mandate can run from its decision to our decree, a mandate of judicial authority does run from it, which we ought not to disregard. * * * Certainly our duty is plain. We ought to harmonize our decree and mandate with those of the Supreme Court.
>
> "* * * It is entirely plain that if the decision of the Supreme Court had been rendered before our decree, our decree would have been different. Applying the analogies of Lord Bacon's first ordinance in regard to bills of review, that decision constitutes new matter

which hath arisen since the decree. In fact, it is precisely the kind of new matter which the Chancellor had in mind in framing the second clause of his ordinance. This is plain from his sixth ordinance, which reads as follows:

> 'No decree shall be made upon pretense of equity against the express provision of an act of Parliament. Nevertheless, if the construction of such act of Parliament hath for a time gone one way in general opinion and reputation, and after, by a later judgment, hath been controlled, then relief may be given upon matter of equity for cases arising before the said judgment, because the subject was in no default.'" * * *

In the case at bar and in the Omaha case there was, therefore, error of law on the face of the record which was apparent without further examination of questions of fact.

In the case at bar this error consisted in an erroneous application of the reissue statute. In the Omaha case it consisted in an erroneous application of the law relating to the expiration of the Electric Company's franchise. In each of these cases, there could be no doubt as to the existence of error after this Court had spoken. In each case a bill of review was filed. The Court of Appeals of the Eighth Circuit entertained the bill of review and reversed its former decision. The Court of Appeals of the Third Circuit has held that under the same circumstances a bill of review will not lie. There is, therefore, a direct conflict between the Courts of Appeal of the Third and Eighth Circuits as to the conditions under which a bill of review lies, and the matter should be finally determined by this Court.

The Omaha case was urged upon the Court of

Appeals of the Third Circuit but that Court does not refer to it in its opinion.

This matter becomes of grave importance in view of Section 1228*a* Compiled Statutes, in effect September 6, 1916, providing that a *writ of certiorari* will not be entertained unless the petition is applied for within three months after the entry of the judgment or decree complained of. It is obvious that two conflicting decisions of two courts of appeals and the judgments thereon, especially in patent cases, will, practically speaking, never be rendered within three months of each other. Until such conflicting decisions are rendered, there is usually no ground for application for *writ of certiorari*. If, after such conflicting decisions, a writ be granted in the second case and this Court renders a decision affirming the decision in the second case, the principles announced in the decision of this Court can never be applied to the first case, unless a bill of review will lie, no matter what the equities may be or how strongly the circumstances of the case may demand it.

**The decision of the Court of Appeals of the Third Circuit on the bill of review is directly contrary to the practice authorized by this Court in Henry *v.* Dick Co., 244 U. S. 651.**

The case of Henry *v.* Dick, 224 U. S. p. 1, was certified to this Court from the Second Circuit. The question involved was that of contributory infringement and the decision of this Court was regarded as finally settling the law on that point. A final decree was entered in the Southern District of New York, this decree, among other things,

holding the patent valid and infringed and that an injunction issue.

After the decision of this Court in Motion Picture Patents Co. *v.* Universal Film Co., 242 U. S. 637, overruling Henry *v.* Dick, the defendant Henry applied to this Court for permission to file a bill of review in the District Court for the Southern District of New York, against the decree which had been entered in Henry *v.* Dick. Although a final decree had then been entered for more than four years after the term in which that case had been disposed of by this Court, this Court granted the motion for permission to file a bill of review (244 U. S. 651). The bill of review was accordingly filed, the decree was revised and the injunction vacated.

Although the action of this Court in granting the bill of review in Henry *v.* Dick was strongly urged upon the Court of Appeals of the Third Circuit, it does not refer to it in its opinion.

Defendant urged at the argument before the Court of Appeals of the Third Circuit that the ruling of this Court in Henry *v.* Dick did not apply because there it enabled the Court to relieve the defendant from an injunction. Defendant's argument was reduced to this, namely, that where there is error in a patent case, if the error works injustice to the defendant the error may be corrected, but if the error works injustice to the plaintiff no remedy exists. It cannot be true that the defendant in a patent case has a remedy from a mistaken view of the law while the plaintiff is remediless. There cannot be one kind of law for a defendant and another for a plaintiff.

If a bill of review will lie to relieve a defendant from a miscarriage of justice in a patent case, and

this Court has held that it will, there certainly is no reason why a bill of review will not lie to relieve a plaintiff from a miscarriage of justice.

**The Court of Appeals of the Third Circuit erroneously held that the decree in Baldwin v. Grier against which the bill of review was filed, is a consent decree.**

The Court of Appeals of the Third Circuit announced the proposition that when a party to a suit prepares and presents for entry in a District Court a form of decree in accordance with the opinion and mandate of a Court of Appeals, the decree entered, so far as the party preparing and presenting is concerned, becomes a consent decree.

The Court of Appeals of the Third Circuit rests its decision that a bill of review will not lie in this case, in part on this extraordinary proposition:

The Court said:

> "We note the general principle that a bill of review will not lie where the decree in question was a consent one: Thompson *v.* Maxwell, 95 U. S. 391. Now, while the decree before us is not a decree based on a compromise or consent of the parties, yet as the entry of a decree dismissing the bill as to the patent was one in favor of the defendant, and the defendant was taking no step, it would seem that there is substantial ground for contending that when the plaintiffs themselves took the matter into their own hands and themselves prepared, moved and had entered the decree which dismissed their patent bill, such voluntary action on their part in entering the decree in favor of their adversary, was not only in form but in substance, and by positive act on their part, a consent, and, so far as they were concerned, a consent decree.

The Court of Appeals of the Third Circuit adduces no authority for the doctrine here announced, and we know of none.

It is, of course, true that a bill of review will not lie from a consent decree, but it is equally true that an appeal will not lie from a consent decree. If, however, this pronouncement of the Court of Appeals of the Third Circuit is the law, if an unsuccessful plaintiff prepares and presents for entry a decree in accordance with the decision of the Court, that decree, as to the plaintiff, becomes a consent decree and the plaintiff by the act of preparing and presenting it *ipso facto* cuts himself off from the right of appeal. In such a case if the defendant refuses to prepare and present the decree all right of appeal would be cut off.

The Court of Appeals of the Third Circuit in its opinion refers to the fact that the decree gave the plaintiff "affirmative relief", referring thereby to plaintiff's right to begin accounting proceedings.

Now, in a patent case, in which a part of the claims are found valid and infringed and a part found invalid or not infringed, if the plaintiff prepares and presents a decree ordering an injunction and accounting on the claims sustained, he gains affirmative relief on the claims sustained. If the Court of Appeals of the Third Circuit is correct, however, he thereby cuts himself off from any right of appeal on the claims on which the Court has found against him, because the decree becomes, by the act of preparing and presenting it, a consent decree on the part of the plaintiff.

Further, a fair account in any case is an advantage to both parties and the plaintiffs in this case went no further with their accounting proceedings than to get an account stated and the books in the

hand of the Master. Accountings at best are difficult proceedings and where they cover transactions for a period of years anterior to the decree, books become lost and witnesses die or forget. The plaintiffs, therefore, gained no advantage, in taking steps to get the account stated and the books filed, which the defendant did not share equally with it, because it was as much an advantage to the defendant to get a fair accounting as it was to the plaintiffs.

It seems unnecessary to point out that the entry of the decree in this case was necessary in order to perfect plaintiffs' right to a bill of review. It is, of course, basic to the right to file a bill of review against a decree that the decree against which the bill is to be filed must be entered.

## The Court of Appeals of the Third Circuit erroneously held that the decree, against which the bill of review was filed, is a final decree.

The Court of Appeals of the Third Circuit refers to the decree entered on its mandate in Baldwin *v.* Grier and against which the bill of review is filed, as a final decree, and bases its reasoning largely on that statement. While that decree dismissed the bill as to infringement, the case was referred to a Master on the unfair competition branch of the case, and proceedings are still pending before the Master.

That decree was, therefore, necessarily interlocutory and a new decree must be entered after the Master's report. It seems clear that there cannot be two final decrees in a case. It follows, therefore, that the decree entered on the mandate of the Court of Appeals of the Third Circuit is not a final

decree and that the District Court had jurisdiction of the cause and the parties at the time the bill of review was filed. (See Lodge *v.* Twill, 135 U. S. 232, and authorities there cited.)

**The Court of Appeals of the Third Circuit misinterprets the ground of the bill of review, and the authorities it cites do not apply.**

The bill of review was applied for because there was an error of law apparent on the face of the former decision of the Court of Appeals of the Third Circuit. This error of law consisted in the misapplication of the reissue statute to the Baldwin Reissue patent, and this error was apparent on the face of the decision as soon as it was handed down. The District Court (Orr, *J.*) in its opinion on the bill of review states:

> "The error of law was the alleged improper application of the provisions of the Revised Statutes, Section 4916, relating to the reissue of defective patents, to the reissued patent in suit" (Tr. p. 46).

There was no change in the reissue law in the period between the decision of the Court of Appeals of the Third Circuit and the decision of this Court; nor had there been any change in the interpretation of the reissue law by this Court during this period. The decision of this Court on the former *writ of certiorari* did not change the interpretation of the reissue law and thus convert the decision of the Court of Appeals into an erroneous decision. As before stated the decision of the Court of Appeals of the Third Circuit was wrong *ab initio*.

The Court of Appeals of the Third Circuit, how-

ever, after stating, in its opinion, the familiar propositions of law, that the two grounds for a bill of review are, an error of law apparent on the face of the record without further examination of matters of fact, and new facts which will materially affect the decree and probably produce a different result, goes on to say:

> "Such being the law as to bills of review, this case resolves itself into the question whether the subsequent decision of the Supreme Court on this patent at 245 U. S. 198, constituted one or both of such grounds" (Tr. p. 103).

The Court of Appeals of the Third Circuit, therefore, appears to be of opinion that its decision was originally right and that the error therein was injected into it by the decision of this Court. Putting it another way, the Court of Appeals of the Third Circuit appears to be of opinion that there was no error in its decision until this Court handed down the opinion on the *writ of certiorari* (245 U. S. 198). In brief, what this Court held was that the Court of Appeals of the Second Circuit was right in its interpretation of the reissue law and the Court of Appeals of the Third Circuit was wrong in its interpretation of the law. The decision of this Court did not make the decision of the Court of Appeals of the Second Circuit right and the decision of the Court of Appeals of the Third Circuit wrong. The decision of this Court did, however, afford an authoritative ground on which the error in the decision of the Court of Appeals of the Third Circuit could be brought to its attention. Under these conditions, it seems clear that the authorities referred to by the Court of Appeals of the Third Circuit do not apply.

Referring to Tilghman *v.* Werk, decided by Judge

Jackson, afterwards Mr. Justice Jackson, 39 F. 680, the facts which led up to this decision were as follows:

The Tilghman patent was involved in three suits, one against Mitchell, one against Proctor and one against Werk. In the Mitchell suit this Court decided that the patent was not infringed (Mitchell *v.* Tilghman, 19 Wall. 287).

The suit of Tilghman *v.* Proctor next went to this Court and is reported 102 U. S. 707. On a somewhat different record this Court found the patent to be valid and infringed.

Thereafter Tilghman *v.* Werk came before Judge Jackson on a petition to vacate a decree of April 9, 1878, dismissing the Werk suit, this decree having been entered prior to the decision of this Court in Tilghman *v.* Proctor. In dismissing this petition, which was not a bill of review, Judge Jackson said:

> "the question is presented whether a change of its ruling or decision by the Supreme Court on a question of law or fact, or upon a mixed question of law and fact, constitutes such new matter as will sustain a bill of review to vacate decrees of the circuit court pronounced before such change was made. We think, upon principle and authority, this proposition cannot be maintained."

The decision in Tilghman *v.* Werk cannot apply here, **because in the case at bar there has been no change of ruling or decision by the Supreme Court on any question of law or fact or upon a mixed question of law and fact.** As before pointed out, the interpretation of the reissue law was not changed by the decision of this Court on the former *writ of certiorari*.

In this connection, we call attention to the fact that the ruling of this Court in allowing a bill of review in the case of Henry *v.* Dick, 224 U. S. 651, is directly contrary to this *dicta* in the decision in Tilghman *v.* Werk. This Court, by its decision in Motion Picture Patent Co. *v.* Universal Film Co., 243 U. S. 224, directly overruled Henry *v.* Dick, and in so doing, changed the construction of the patent law so far as it applies to the question of contributory infringement. The bill of review which was later allowed in Henry *v.* Dick, *supra,* was allowed because this Court had changed its ruling on a question of law.

We further call attention to the comment of the Court of Appeals of the 8th Circuit on the decision of Tilghman *v.* Werk, in the Omaha case, *supra.*

> "If there was no change in the situation of the parties after the entering of the decree in the first case cited, so as to make a revision of the decree inequitable, we should have thought a bill of review would have properly lain in that case after the decision of the Supreme Court of the United States in Tilghman *v.* Proctor, 102 U. S. 707; 26 L. Ed. 279."

Judge Hand in *re* Brown, 213 F., 701, commented on this case as follows:

> "In Tilghman *v.* Werk (C. C.) 39 Fed. 680, Judge Jackson declined to regard a change in the decision of the Supreme Court as the ground for a bill on newly discovered evidence; whether he might have held it good as error apparent of the record does not appear."

In Hoffman *v.* Knox, 50 Fed. 484, the Circuit Court entered a final decree pursuant to a statute of the State of Virginia, which statute was subsequently held unconstitutional by the highest court

of Virginia. Thereafter, a petition for rehearing was filed which it was held came too late, but which the Circuit Court held could be treated as a bill of review for error apparent. On appeal to the Court of Appeals of the Fourth Circuit, Justice Fuller, afterwards Chief Justice, held:

> "The fact that nearly eighteen months after the decree of October 14, 1887, the Court of Appeals of Virginia decided these laws to be unconstitutional for the reasons stated was not enough in itself to create error of law apparent and justify a bill of review on that ground or that of new matter *in pais*. * * * but this rule cannot be applied where the construction contended for has not been announced at the time of the final adjudication by the United States Court so as to make the law erroneous on its face by relation."

In other words, this decision holds that the law of Virginia upon which the first decision was based not having been held unconstitutional at the time the decision was rendered there was no error on the face of the decision, and the subsequent declaration, by the highest court of Virginia, that the law was unconstitutional did not inject error into the decision.

The distinction between this case and the decision of the Court of Appeals of the Third Circuit in Baldwin *v.* Grier is clear. In Hoffman *v.* Knox it was sought to impose an error on the face of the decision by reason of the subsequent declaration of the highest court of Virginia that the law on which the decision was based was unconstitutional, *i. e.*, it was sought to impose an error on the face of the decision because there had been a change in the law. In Baldwin *v.* Grier, the error was not im-

posed on the face of the decision by any subsequent change of law.

We also call attention to the statement of Judge Hand respecting this decision in *re* Brown, *supra:*

> "Thus in Hoffman *v.* Knox, 50 Fed. 484, the Circuit Court made its own ruling upon the constitutionality under the state Constitution of a state statute. Later the state court held differently in another case, a decision which is usually as absolutely conclusive as a ruling of the Supreme Court itself. The Court of Appeals for the Sixth Circuit, Chief Justice Fuller presiding, held that such a ruling did not constitute error apparent on the record. It must be conceded, however, that it is not certain that the ground of decision was not in part due to the unwillingness of the court, as matter of substantive law, to make the state decision apply as *ex post facto.*"

Scotten *v.* Littlefield, 235 U. S. 410, was a bankruptcy case and one of a number which grew out of the bankruptcy of A. O. Brown & Co. of New York. Scotten and Scotten & Snydecker had certain claims which with a number of others were passed on by the Court of Appeals of the Second Circuit in *In re* Brown, 193 F. 24. These claims were subsequently determined adversely to the claimants by this Court in First National Bank of Princeton *v.* Littlefield, 226 U. S. 110. In the meantime another creditor, one Gorman, had instituted a separate proceeding against Littlefield (the Trustee in Bankruptcy) to reclaim certain shares of copper stock, and the Court of Appeals of the Second Circuit held that this stock was not sufficiently identified (184 F. 454). From this decision, appeal was taken to this Court, which reversed on the ground that there was sufficient proof of identity. (Gorman *v.* Littlefield, 229 U. S.

19.) Scotten, and Scotten and Snydecker, then petioned for leave to file a bill of review. This was refused, the Court of Appeals of the Second Circuit (213 F. 705) saying:

> "It is the theory of these claimants that if the rule enunciated in Gorman *v.* Littlefield had been applied to the facts in their cases it would have been held that as to their steel stock identity had been proved. *They therefore bring this bill of review which in substance and effect prays for a retrial of their respective claims. They contend that they did not present any argument to the District Court or to the Court of Appeals or to the Supreme Court as to this part of their claim and that in their record on appeal they left out some of the testimony that referred to the steel stock; also that the appellate courts did not deal with that question.*
>
> It appears then that these claimants originally advanced the claim which is the subject of their bill of review; that they either took all the testimony they could muster in its support, or had full opportunity to do so before the referee. That they elected not to argue before the District Court the proposition that they had traced their steel stock into the block of 1,000 shares which was pledged to the Hanover Bank. That, although many months before their appeal was argued in this court the Gorman case had been disposed of here and an appeal from our decision therein taken (by their own counsel, who also appeared for Gorman), they elected not to present and argue the question (or at least present and reserve it) that our decision in the Gorman Case was unsound. That before the Supreme Court they elected not to call attention to this same question, although for some reason the appeal in the Princeton Bank and these two cases came on for argument there before the earlier appeal in the Gorman Case.

*Their theory seems to be that they may bottle up part of their claim, which was, as originally presented, a single one, during review by three successive courts and then years afterwards bring it forth de novo to be presented for decision.*" (Italics ours.)

From this decision of the Court of Appeals of the Second Circuit, it is clear that the alleged bill of review said to be filed in the Scotten case was not a bill of review for error apparent on the face of the proceedings without further examination of questions of fact. On the contrary, as the Court points out, this bill of review sought a retrial of the case, including the taking of additional testimony and the presentation of an additional question to the appellate courts. It was not contended that as this case was presented to the Court of Appeals there was error, but that if the claimants had opportunity to retry their case, in view of the decision of this Court, announced in Gorman *v.* Littlefield, it could be retried in such a way as to establish the claims. On appeal, this Court said:

"Both courts below put their decisions on the ground that the appeal to the circuit court of appeals from the original order of the district court in the reclamation proceedings really involved the claim for the United States Steel stock in its present aspect, and that if not presented to the court of appeals when there on appeal it could not be held back and made the subject of a bill of review, as is now attempted to be done. We think this decision was clearly right. Furthermore, the ground alleged for the bill of review now is that the principles which determined the disposition of the Gorman Case, 229 U. S. 19 (decided May 26, 1913, a little more than two years after the decree in the district court), reversing (411) the circuit court of appeals in the same case

(99 C. C. A. 345, 175 Fed. 769), would, had they been applied in this case, have required a different result in the district court in dealing with the original petition in reclamation, so far as the three hundred shares of the United States Steel stock, pledged with the Hanover National Bank, are concerned.

Bills of review are on two grounds: first, error of law apparent on the face of the record without further examination of matters of fact; second, new facts discovered since the decree, which should materially affect the decree and probably induce a different result. 2 Bates, Fed. Eq. Proc. 762; 2 Street, Fed. Eq. Pr., Sec. 2151.

If the decision in the Gorman Case would have required a different result if the principles upon which it was decided had been applied in the original proceeding, which we do not find it necessary to decide, such subsequent decision will not lay the foundation for a bill of review for errors of law apparent, or for new matter *in pais* discovered since the decree, and probably requiring a different result. Tilghman *v.* Werk, 39 Fed. 680 (opinion by Judge Jackson, afterwards Mr. Justice Jackson of this court); Hoffman *v.* Knox, circuit court of appeals, fourth circuit, 1 C. C. A. 535, 8 U. S. App. 19, 50 Fed. 484, 491 (opinion by Chief Justice Fuller)."

The District Court for the Western District of Pennsylvania (Orr, *J.*) refers to this decision as follows:

"The defendant has cited Scotten *v.* Littlefield, 235 U. S. 407, as a complete precedent which should govern the present case and require a dismissal of the bill of review. Had the Court in that case not dismissed the bill of review, there would have necessarily been a further examination of matters of fact and the consideration of a question which was held

> back in other proceedings and subsequently made the subject of a bill of review. It is insisted by counsel for the defendant that in the case just cited, the Supreme Court squarely holds that a subsequent decision by it will not lay the ground for a bill of review. To this proposition the Court cannot agree" (Tr. p. 46).

It is believed that this summary of this case by the District Court for the Western District of Pennsylvania is correct.

The differences between Scotten *v.* Littlefield and the case at bar are sufficiently marked. In the case at bar no question "was held back in other proceedings and subsequently made the subject of a bill of review". The bill of review is sought not for the purpose of retrial, but because of an error apparent on the face of the record, that is, in the decision of the Court of Appeals of the Third Circuit.

Certainly, in view of the entire dissimilarity of the facts involved, Scotten *v.* Littlefield can have no bearing on the case at bar, and this is made the more apparent by the fact that the cases cited therein, namely, Tilghman *v.* Werk, 39 F. 680, and Hoffman *v.* Knox, 50 F. 484, have no application to the case at bar.

## The Decree Works Irreparable Injury to the Plaintiffs.

The reissue here involved has been found to be valid by the highest authority, *i. e.*, by this Court in its decision, 245 U. S. 198. That this defendant is an infringer there is no doubt. Infringement was found by the District Court of the Western District of Pennsylvania and that finding was not

disturbed by the Court of Appeals of the Third Circuit. The lamp complained of in the Second Circuit is identical with the lamp put out by this defendant except for a difference in shape which, of course, is immaterial. Therefore, the exact structure complained of in this case was determined by this Court to be an infringement of this patent. The patent is valid as against every one in the United States except this defendant, and the effect of the decree now standing is to practically constitute this defendant a part owner of the patent. Having built up a business on a flagrant infringement—for its lamps was held to be an exact and unfair copy of plaintiff's commercial lamp—it can manufacture in the Third Circuit, and, under Kessler *v.* Eldred, 206 U. S. 285, can sell infringing lamps anywhere in the United States in direct competition with plaintiff's licensees and on better terms because it pays no license fee. Defendant is, therefore, by an erroneous application of the law, placed in a better position in respect to this patent than any one in the country. Surely, it needs no argument to show that this condition of affairs violates all principles of justice and equity.

As this Court pointed out in its decision on the former *writ of certiorari:*

> "The plaintiffs (we shall so designate respondents) struggled through some years and some litigation to the success of the decrees in the pending case. In a suit brought in the District Court for the Southern District of Illinois a device like that of the defendants herein was held to be an infringement of certain claims of the original patent. The holding was reversed by the Circuit Court of Appeals for the Seventh Circuit. Bleser *vs.* Baldwin, 199 Fed. 133.

> Subsequently, the reissue having been granted, suit was brought in the Western District of Pennsylvania against an asserted infringer. Unfair competition was also alleged, and, holding the latter to exist, the court granted a preliminary injunction (210 Fed. 560). Upon final hearing that holding was repeated, and infringement of a claim of the re-issue patent decreed. 215 Fed. 735. The decree was reversed by the Circuit Court of Appeals (Third Circuit) on the ground that the claim of the re-issue patent found to have been infringed was broader than a corresponding claim of the original letters patent and therefore void. The holding of the District Court as to unfair competition was sustained. 219 Fed. 735. Aided by the reasoning in the opinions of those cases and the discussion of counsel, we pass to the consideration of the proposition in controversy" (Tr. pp. 21, 22).

The record before this Court on the *writ of certiorari* to the Second Circuit showed that the plaintiffs were the first to develop a portable miner's acetylene lamp and that through their efforts a market had been established for this lamp in the face of unusual difficulties and in spite of the prejudice against the adoption of this new illuminant. If, however, the decision of the Court of Appeals of the Third Circuit stands, all these efforts and all this previous litigation may go for naught. The defendant in this case, Grier Bros. Co., as above stated, occupying as it does a better position with respect to the trade because it has no investment in the patent and no license fees to pay, can manufacture in the Third Circuit and can make better terms as to price and drive plaintiff and its licensees from the market.

As stated by the District Court for the Western District of Pennsylvania (Orr, *J.*):

> "In the first place, the law, as interpreted by the Supreme Court of the United States, is the law which should govern all subordinate Federal Courts. In the second place, if the later decision of the Supreme Court of the United States cannot be invoked for the relief of the plaintiffs, they are in a situation not contemplated by the States when they gave authority to Congress to secure to inventors the exclusive right to their discoveries and inventions for a limited period, or by the Congress of the United States when it legislated in pursuance of such authority. By the decision of the Supreme Court of the United States, the validity of the reissue patent may secure to the plaintiffs rights thereunder in all parts of the United States, except within the limitations of the Third Judicial Circuit. Plaintiffs' rights to the invention would not be exclusive for any period within that Circuit in which is embraced the great anthracite and bituminous coal fields of the State of Pennsylvania" (Tr. p. 45).

## A Bill of Review is the Proper Remedy in this Cause.

*The Court of Appeals of the Third Circuit bases its refusal to follow the decision of this Court purely on the procedure adopted. Its opinion recognizes the inequities created by its decision and indicates that its action would have been different had the procedure been such as to prevent the entry of the decree against which the bill of review is filed.*

The purpose of a bill of review is, of course, to set aside a decree which has been entered and which is erroneous, either for error apparent or new mat-

ter *in pais*. That the decision of the Court of Appeals of the Third Circuit in Baldwin *v.* Grier contained error of law apparent in holding that the reissue was a broadened reissue is, we think, not open to question. This Court pronounced the reissue valid, and prior to this pronouncement by this Court three other courts had held the same way. Nor does there appear to be any reason why a bill of review should not lie. Certainly, the fact that a decree had been *entered* on the mandate of the Court of Appeals of the Third Circuit cannot be a reason.

The Court of Appeals of the Third Circuit, however, suggests that plaintiff might have applied to it to withhold its mandate after the decision by the District Court in the Southern District of New York. We may, it is believed, pass without consideration the suggestion that the Court of Appeals of the Third Circuit would have withheld its mandate because a District judge in another circuit had declined to follow its decision.

The Court of Appeals of the Third Circuit also suggests that application might have been made to it to prevent the entry of a decree on its mandate after the conflicting decision of the Court of Appeals of the Second Circuit. How the situation would have been changed had the plaintiff thus applied to the Court of Appeals of the Third Circuit does not appear, for that Court, at that time, had no power over its mandate. The mandate went down on the 24th of February, 1915. The term ended in March of that year a second term had elapsed, and a third term had begun before the decision of the Court of Appeals of the Second Circuit came down.

It is well settled law that a court has no power

to revoke its mandate and direct the entry of a different decree below after the term has expired during which the mandate has gone down. Sibbald *v.* U. S., 12 Peters, 488; Reynolds *v.* Manhattan Trust Co., 109 F. 97; Waskey *v.* Hammer *et al.*, 179 F. 273.

The Court of Appeals of the Third Circuit also suggests that the plaintiff might have applied for a *certiorari* in Baldwin *v.* Grier. The Court, however, says:

> "We do not say that the plaintiffs were bound to do so; we only say they could have so petitioned."

There was no ground for applying for *certiorari* in this case until after the decision of the Court of Appeals of the Second Circuit in Baldwin *v.* Abercrombie & Fitch, and the defendant began proceedings for the writ very shortly after this decision. Now, the sole ground on which the writ was applied for and granted was the conflicting decisions of the Courts of Appeals of the Second and Third Circuits (see Petition, Tr. p. 75 *et al.*). The lamp structures involved are identical in their relation to the patent. There was no question of infringement in either case. The sole question presented in both cases was the validity of the reissue. In other words, the sole question involved was a question of law, the facts being identical in both cases. There was, therefore, nothing in the record in this case which would have in any way enlightened this court, or which would have tended to change the decision rendered in Baldwin *v.* Abercrombie & Fitch. That case was, in fact, a test case, and there was not only no reason for not taking up to this court the same state of facts and the same question of law in two cases, but such course was unneces-

sary and improper. Further, the taking up of the case of Baldwin *v.* Grier to this Court would have imposed unnecessary labor on this Court and would have involved unnecessary expense, because the record in Baldwin *v.* Grier contained not only the same facts as to the patent question which was before this Court in Baldwin *v.* Abercrombie & Fitch, but it also contained a large amount of testimony relating to unfair competition with which this Court would have had nothing to do.

Again, the defendant has suffered no injury and the plaintiff has gained no advantage by the course which has been pursued.

The *writ of certiorari* could not have been applied for in this case until the decree on the mandate of the Court of Appeals of the Third Circuit had been entered. This Court would certainly not have granted a writ with the case hanging in the air. Had a writ been asked, this Court might have very well declined to grant it on the ground that the sole question involved was already before it in Baldwin *v.* Abercrombie & Fitch, but had it granted a writ, the only way in which the condition of the case would have been changed is that it would have been mandatory upon the Court of Appeals of the Third Circuit to do that which it now has the power to do, as we see the matter, under the bill of review. Under these circumstances, it seems that the proper course and practice was to do that which has been done, namely, to await the decision of this Court in Baldwin *v.* Abercrombie & Fitch and then apply for a bill of review in the Third Circuit.

Further, there are no facts in this case which make this bill of review inequitable. While the decision of the Court of Appeals of the Third Circuit was rendered January 22, 1915, the order on

the mandate was not entered in the court below until a year later, that is, January 5, 1916. If defendant sold any lamps during that year it acted in direct defiance of the injunction issued by the court below, as that injunction was in effect until the decree on the mandate of the Court of Appeals was entered. During this year, however, the litigation in the Second Circuit was completed and the *certiorari* asked for. Judge Mayer rendered his opinion February 10, 1915, the Court of Appeals its affirming opinion November 23, 1915, and the application for *certiorari* was granted January 10, 1916, that is, only five days after the court below had entered its decree on the mandate of this Court.

Now, the defendant must have been fully apprised of these proceedings. The president of the defendant, Justrite Mfg. Co., in the New York suit, Fred. J. Becker, and its superintendent, Hansen, both testified for the defendant here, and Becker introduced as exhibits two of the Justrite lamps which were complained of in the New York suit. With this close connection between the defendants in these suits, and the inevitable knowledge in the trade of what was going on, it is impossible that this defendant was not fully informed as to the proceedings in the New York case, including the grant of the *certiorari*.

## Conclusion.

In conclusion, your petitioner respectfully submits that this petition for a *writ of certiorari* should be granted and the record in this case sent up for final review and determination by this Court.

JOHN SIMMONS COMPANY,
By JAMES Q. RICE,
Their Attorney.